



DAVID E. JANSSEN  
Chief Administrative Officer

County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

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July 5, 2001

To: Supervisor Michael D. Antonovich, Mayor  
Supervisor Gloria Molina  
Supervisor Yvonne Brathwaite Burke  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe

From: David E. Janssen  
Chief Administrative Officer

**STATE LEGISLATIVE UPDATE**

**Pursuit of County Position on Legislation**

**AB 81 (Migden)**, as amended on June 5, 2001, would require the State Board of Equalization (SBE), rather than county assessors, to assess independently-owned electric generation facilities with output capacity of 50 megawatts or more. Further, the measure prescribes methodologies for computing and allocating the property taxes collected on those SBE assessments.

For the most part, the electric generation facilities subject to AB 81 are the same facilities that were sold by investor-owned utilities as a result of deregulation. Two years ago, the SBE exercised its constitutional authority and delegated responsibility for assessing independently-owned electric generation facilities to county assessors. The SBE's action inadvertently shifted nearly \$1 million from the County general fund to the Cities of Long Beach, Redondo Beach and El Segundo since the County receives a smaller share of the local roll (25 percent) than it does from the State roll (41 percent). As a group, county assessors supported that move. Now, some individuals have raised concerns that local assessments do not fully recognize the value of these assets as values are limited by Proposition 13 where the SBE annually assesses properties at fair market value.

Discussions with SBE staff indicate that SBE resumption of assessment jurisdiction will not necessarily increase value as they are likely to appraise these properties on a cost basis rather than on an income basis. However, whether values increase or not, SBE resumption of jurisdiction would restore the revenues previously lost by the County.

StateLU060501

Together We Can Conserve Energy



Juvenile Crime Prevention Programs remains subject to appropriation in the State Budget. AB 86 remains in the Senate Appropriations Committee.

**County-supported AB 183 (Longville)**, which would eliminate the sunset date in current law which requires the State to pay all expenses for special elections ordered by the Governor to fill a seat in the State Assembly or Senate and the U.S. House of Representatives or Senate, was placed in the Senate Appropriations Suspense File on July 2, 2001.

**County-sponsored AB 229 (Wesson)**, which would conform the current 30-day time limitation to verify signatures on County initiative petitions with the 60 days currently allowed for Statewide petitions, went to the Governor on July 2, 2001.

**County-supported AB 349 (La Suer)**, which requires convicted sex offenders to provide local law enforcement the same information required under preregistration laws plus a current photograph and finger prints, received a technical amendment on July 3, 2001 and passed out of the Senate Public Safety Committee. The measure is now on the Senate Third Reading File.

**County-sponsored AB 399 (Havice)**, which would implement the memoranda of understanding entered into by the County and the labor unions during the 2000 labor negotiations, went back to the Senate on July 3, 2001 to resolve "chaptering out" conflicts with two other bills, AB 1098 (Havice) and AB 1214 (Chavez). It is expected that any action on AB 399 will be delayed a week to ten days for Legislative Counsel to redraft the code sections in all three bills which would allow the provisions in each bill to take effect should the Governor sign them.

**County-supported AB 560 (Jackson)** which would have amended the Costa-Machado Water Bond Act of 2000 to provide funding for acquisition, installation, and maintenance of storm drain inlet filters, was amended on June 26, 2001 to change the funding source for storm drain inlet filters and other means of addressing nonpoint source pollution from the Costa-Machado Water Bond Act of 2000 to the California Integrated Waste Management Board.

**County-sponsored AB 589 (Wesson)** was passed unanimously by the Senate Local Government Committee on Monday, July 2, 2001. AB 589 converts the current \$60 million State-County Property Tax Loan Program into a grant program and extends the program through FY 2006-07. The County's share of the grant program is just under \$13.5 million per year which is the same amount that the County has received each year from the predecessor Loan program.

AB 589 was amended on June 27, 2001 to clarify the Department of Finance's (DOF) initial approval of a grant application, to add references to all county departments responsible for property tax administration and to eliminate the requirement to report a county's accomplishments with the grant funds "by each employee". These amendments were requested by the DOF, the associations of other county departments responsible for administering the property tax and AFSCME, respectively. The bill's next stop is the Senate Appropriations Committee.

There are three outstanding fiscal issues that are awaiting action by the DOF prior to the Senate Appropriations hearing: (1) language that states that if more than \$60 million is appropriated in a Budget Act, then the excess over \$60 million will be allocated among counties in proportion to their share of the current \$60 million, and these new funds will be transmitted to boards of supervisors for allocation among departments administering the property tax; (2) language that allows other departments in a county to pursue the grant funds designated for that county if an assessor does not seek any funds or if the assessor does not seek the entire county allocation; and (3) language that would allow any county to pursue any portion of the \$60 million that was unused in the fiscal year following the year it was made available.

**County-opposed AB 664 (Vargas)**, which would provide a presumption for lifeguards employed for more than three consecutive months that cancer, leukemia, hernia, heart trouble, pneumonia, tuberculosis, and meningitis are job-related for the purposes of workers' compensation law, was amended in the Senate Labor and Industrial Relations Committee on June 27, 2001 to add hernia as a presumption for Sheriff deputies and Highway Patrol officers. It now goes to the Senate Appropriations Committee.

**County-supported SB 3 (Brulte)**, which would require identification of the candidate, committee or organization that authorized or paid for telephone campaign messages, passed out of the Assembly Elections and Reapportionment Committee on July 3, 2001 with the provision that the differences between **AB 690 (Wesson)** and **SB 3** be resolved. **AB 690**, also supported by the County, would require candidates, committees or other organizations to disclose who is paying for telephone calls that advocate support of, or opposition to, a candidate and/or a ballot measure. **SB 3** requires disclosure during or at the end of the call and defines mass mailing as material delivered by any means if over 200 similar pieces are distributed. **AB 690** requires disclosure at any time during the call, prohibits campaign and ballot measure committees from contracting with any phone bank vendor that does not disclose the identity of the contractor. Both bills make violations subject to the penalty provisions of the Political Reform Act of 1974. **SB 3** is an urgency measure.

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**County-supported SB 304 (Karnette)**, which exempts the positions of Assistant Sheriff and Chief in the Sheriff's Department whose primary duties are administrative from the statute governing mandatory retirements, passed the Assembly on June 28, 2001 and now goes to the Governor.

**County-opposed SB 919 (Polanco)**, which removes the discretionary authority from the MTA to regulate the placement and maintenance of advertising displays on any land owned or operated by the MTA, was amended on July 2, 2001 to prohibit placing any advertising displays that exceed 10 feet in either length or width on MTA property unless the display complies with the Federal Highway Beautification Act of 1965 or any local regulatory agency's rules or policies. The MTA is also prohibited from disregarding or preempting any law, ordinance or regulation of any city, county or other local agency. **SB 919** remains in the Assembly Committee on Governmental Organization. The amendments do not address the County's concerns that this is an incursion into local control and undermines local land use authority. **Therefore, our Sacramento advocates will continue to oppose this measure.**

We will continue to keep you advised.

DEJ:GK  
IGR:md

c:     Executive Officer, Board of Supervisors  
        County Counsel  
        All Department Heads  
        Legislative Strategist  
        Coalition of County Unions  
        California Contract Cities Association  
        Independent Cities Association  
        League of California Cities  
        City Managers Associations  
        Buddy Program Participants